



DEPARTMENT OF THE ARMY  
HEADQUARTERS, US ARMY GARRISON BENELUX  
UNIT 21419  
APO AE 09708

REPLY TO  
ATTENTION OF

IMEU-CHV-PAI

15 MAR 06

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: USAG Benelux Command Policy Letter 26, Productivity Improvement Review (PIR) Incentive Awards

1. References:

- a. AR 672-20, Incentive Awards, 29 January 1999.
- b. AR 215-3, Nonappropriated Funds Personnel Policy, 29 August 2003.
- c. AR 600-8-10, Leaves and Passes, 31 July 2003.
- d. AR 600-8-22, Military Awards, 25 February 1995.
- e. IMA Productivity Management Implementation Plan, Appendix 4C4 (Reward successful programs and individuals), 7 April 2003.
- f. Glossary of Terms defining criteria of award categories, Enclosure

2. Purpose: To establish a tri-garrison employee incentive recognition program to inspire, empower and motivate total workforce participation in the PIR Program by rewarding the best improvement initiatives quarterly and annually.

3. Responsibilities:

a. Command responsibilities:

(1) To provide guidance and direction for the PIR Incentive Awards Program for USAG Benelux and to promote fair application of incentive awards policies and procedures throughout the command.

(2) Establishment of a USAG Benelux PIR Awards Board consisting of the USAG Benelux Commander, USAG Benelux Deputy to the Garrison Commander and USAG Benelux Director, PAIO to assist in execution and evaluation of the program.

b. USAG Benelux PIR Awards Board responsibilities: The Board will consider all PIR initiative submissions and select one quarterly winner from each of the following categories:

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(1) Excellence in Quality Improvement: Initiative's focus should be on improvements in the area of customer focus, product or service, financial and marketplace, or operational performance which facilitates achievement of performance excellence.

(2) Innovative Stewardship of Resources: Initiative's focus should emphasize creative, inventive, flexible and/or progressive improvement or change with positive impact on fiscal, manpower and/or environmental key processes, key plans, key organizational structure or key challenges.

(3) Mission Enriching, Vision Enhancing and Value Creating: Initiative's focus should contribute to augmenting and improving quality of the Mission accomplishment, successful pathways toward realization of the Vision, and/or motivate and enable value creation to provide improved services and products for customers and which tap employee commitment, energy, and imagination and encourage empowerment of employees.

4. The USAG Benelux Commander will present one (1) incentive award for each of the above categories for PIR initiative selected as best of category as outlined below:

a. Quarterly. A PIR Award Certificate entitling submitter to a one (1) day Time Off Award for US AF/NAF and HN employees. For Military submitters an equivalent Regular Pass will be authorized.

b. Annual. Quarterly PIR award recipients will compete for the Annual Commander's PIR Initiative of the Year Trophy and a two (2) day Time Off Award (or comparable Regular Pass for Military).

4. POC for this PIR Incentive Awards Program is PAIO, 361-5071.

Encl  
as

  
DEAN A. NOWOWIEJSKI  
COL, AR  
Commanding

DISTRIBUTION:

X, plus  
CDR, USAG Schinnen  
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## **Glossary:**

### **Customer-focused performance**

Refers to performance relative to measures and indicators of customers' perceptions, reactions, and behaviors. Examples include customer retention, complaints, and customer survey results.

### **Empowerment**

The term "empowerment" refers to giving employees the authority and responsibility to make decisions and take actions. Empowerment results in decisions being made closest to the "front line," where work-related knowledge and understanding reside. Empowerment is aimed at enabling employees to satisfy customers on first contact, to improve processes and increase productivity, and to improve the organization's business results. Empowered employees require information to make appropriate decisions; thus, an organizational requirement is to provide that information in a timely and useful way.

### **Financial and marketplace performance**

Refers to performance relative to measures of cost, revenue, and market position, including asset utilization, asset growth, and market share. Examples include returns on investments, value added per employee, debt to equity ratio, returns on assets, operating margins, cash-to-cash cycle time, other profitability and liquidity measures, and market gains.

### **Innovation**

The term "innovation" refers to making meaningful change to improve products, services, and/or processes and to create new value for stakeholders. Innovation involves the adoption of an idea, process, technology, or product that is either new or new to its proposed application.

### **Key**

The term "key" refers to the major or most important elements or factors, those that are critical to achieving your intended outcome. The Army Performance Improvement Criteria, for example, refer to key challenges, key plans, key processes, key measures—those that are most important to the organization's success. They are the essential elements for pursuing or monitoring a desired outcome.

### **Mission**

The term "mission" refers to the overall function of an organization. The mission answers the question, "What is this organization attempting to accomplish?" The mission might define customers or markets served, distinctive competencies, or technologies used.

**Enclosure 1**

**Operational performance**

Refers to human resource, organizational, and ethical performance relative to effectiveness, efficiency, and accountability measures and indicators. Examples include cycle time, productivity, waste reduction, employee turnover, employee cross-training rates, regulatory compliance, fiscal accountability, and community involvement. Operational performance might be measured at the work unit level, key process level, and organizational level.

**Performance Excellence**

The term “performance excellence” refers to an integrated approach to organizational performance management that results in (1) delivery of ever-improving value to customers, contributing to marketplace success; (2) improvement of overall organizational effectiveness and capabilities; and (3) organizational and personal learning. The Army Performance Improvement Criteria for Performance Excellence provide a framework and an assessment tool for understanding organizational strengths and opportunities for improvement and thus for guiding planning efforts.

**Product and service performance**

Refers to performance relative to measures and indicators of product and service characteristics important to customers. Examples include product reliability, on time delivery, customer-experienced defect levels, and service response time.

**Value Creation**

The term “value creation” refers to processes that produce benefit for your customers and for your business. They are the processes most important to “running your business”—those that involve the majority of your employees and generate your products, your services, and positive business results for your stockholders and other key stakeholders.

**Vision**

The term “vision” refers to the desired future state of your organization. The vision describes where the organization is headed, what it intends to be, or how it wishes to be perceived in the future.